

# BUDGET 1999

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*Building today for  
a better tomorrow*

## Canada Foundation for Innovation: Update

February 1999

Canada

*"Based on its very clear success – and the crucial role it is now playing – this budget allocates a further \$200 million to the [Canada] Foundation [for Innovation]. Through partnerships, the total federal investment in the Foundation will translate into \$2.5 billion in world-class facilities and equipment needed to make world-class discoveries – discoveries that will open the door to exciting commercial opportunities and jobs down the road."*

Finance Minister Paul Martin  
1999 budget speech

### Canada Foundation for Innovation

Canadians know that their economic well-being and quality of life are becoming more and more dependent on innovation – the generation of new knowledge and the ability to use it productively.

#### Building on previous budgets

The federal government has been supporting research at Canada's post-secondary educational institutions and research hospitals for most of the past half-century.

In the 1997 budget, the government created the Canada Foundation for Innovation (CFI) to support the efforts of post-secondary institutions and research hospitals in modernizing research infrastructure. The CFI awards funding to universities and colleges, research hospitals, and not-for-profit research institutions. Its activities focus on health, the environment, science and engineering.

#### How the Canada Foundation for Innovation is funded

The federal government established the CFI with a contribution of \$800 million. The amount available for awards from the CFI rises as interest accumulates on this initial investment.

#### What's new?

In the 1999 budget, the government is committing an additional \$200 million to the CFI. This measure will help the CFI meet the demand for critical research infrastructure in areas that are key to the health of Canadians and the continued growth of fast-growing, knowledge-based industries.

#### Independence from government

The CFI operates at arm's length from the government under the guidance of an independent board of directors. The board consists of 15 members drawn primarily from the research and business communities. In evaluating requests for funding, the CFI depends on the expert advice of leading researchers in Canada and other countries. The CFI is accountable to Parliament through the Minister of Industry, who tables annual reports on the CFI's activities.

### Partnerships

The CFI makes investments in partnership with provincial governments, universities, and the private and voluntary sectors. Partnerships provide important leverage. Every \$40 contributed by the CFI can generate \$100 in total funding. Thus, the CFI has the potential to generate investments in research infrastructure amounting to \$2.5 billion – \$1.5 billion more than the federal government has contributed to the CFI so far.

#### Where does CFI money go?

The CFI awarded \$58 million in 1998, mostly in smaller amounts to universities, colleges, research hospitals and research institutions. Through separate groups of funds, CFI awards were allocated among different types of projects and classes of recipients.

The largest share – amounting to \$36 million – was used to equip more than 400 new faculty members in 26 universities with research tools. This support will help retain and attract high-quality researchers in Canada. Examples of projects funded by the CFI in this category include:

- \$193,000 to Dalhousie University for a network of high-performance computers and a lab for fisheries and marine biological research. Scientists will develop a database of all fish species for the purpose of examining the genetic sequences of fish and marine invertebrates, as well as the effects of troll fishing on fish reproduction. This research will contribute to better fisheries management worldwide.

■ \$228,000 to Université Laval to set up a lab that will simulate the operating conditions of regional and local roads. Researchers will study road resurfacing techniques and materials, pavement structure, and the effect of temperature changes on roads. The result will be safer and better maintained roads.

A further \$6 million in awards gave researchers in smaller universities and in smaller communities access to the advanced equipment and facilities they need to undertake leading-edge research. Examples include the following:

■ \$875,000 to the Université du Québec à Chicoutimi for advanced equipment for use in studying the impact of atmospheric icing on hydro lines. Atmospheric icing, which results from freezing rain, drizzle, passing clouds or condensation, can disrupt the functioning of transmission networks and communication systems.

■ \$307,500 to the University of Regina's Department of Biology for lab equipment to be used in research on the terrestrial, aquatic and atmospheric processes that regulate the environmental quality of Canada's prairies. The laboratory will also be used for research to help sustain the agriculture and petroleum industries of Western Canada.

\$16 million was provided in support of 83 projects that strengthen infrastructure in areas identified by institutions as research priorities. Examples include the following:

■ \$140,000 to the Gerontology Research Centre at Simon Fraser University to develop a facility designed to promote independent living for elderly and disabled people. The work of scientists at this facility will help elderly and disabled individuals to enjoy a higher quality of life in safe home environments.

■ \$138,000 to the University of Manitoba to help establish the Manitoba First Nations Centre for Health Research. The centre will address health problems in the Aboriginal community and facilitate the transfer of research results into effective programs and services.

About 45 per cent of funding awarded by the CFI in 1998 was for research infrastructure in the area of health and 7 per cent related to the environment. The remaining 48 per cent was for research infrastructure in science and engineering disciplines.

Research endeavours made possible by the CFI will improve the health and quality of life of Canadians, and even help to save lives. They will also generate new knowledge, opening the door to rewarding commercial opportunities and economic growth.

## More awards in 1999

The CFI expects to announce its first large awards in 1999 – totalling about \$420 million. Projects are being considered in the following categories: digital libraries, high-performance computing, information technology to support on-campus research networks, and genomics – the science that decodes the genes of living organisms. Six other proposals are being reviewed, each of which is seeking more than \$25 million in CFI support. In addition, awards will be made to new researchers, smaller institutions and colleges.

## Competitions beyond 1999

After the CFI presents its awards in 1999, about \$400 million of the original up-front investment will remain for future competitions. Combined with the further \$200-million investment provided in this budget, the CFI will have about \$600 million to contribute to research infrastructure projects beyond 1999.

## For further information:

Canada Foundation for Innovation  
350 Albert Street, Suite 1510  
Post Office Box 77  
Ottawa, Ontario, K1R 1A4  
Tel.: (613) 947-6496  
Fax: (613) 943-0923  
Internet: <http://www.innovation.ca>

## How can I get more information on the 1999 budget?

Information is available on the Internet at: <http://www.fin.gc.ca/>

You can also obtain copies of this brochure or other budget documents from:

Distribution Centre  
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Ottawa, Ontario, K1A 0G5  
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Fax: (613) 996-0518

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